

VZCZCXRO5476
RR RUEHRG
DE RUEHBR #1097 1651423
ZNR UUUUU ZZH
R 141423Z JUN 07
FM AMEMBASSY BRASILIA
TO RUEHC/SECSTATE WASHDC 9224
INFO RUEHRI/AMCONSUL RIO DE JANEIRO 4582
RUEHSO/AMCONSUL SAO PAULO 0106
RUEHRG/AMCONSUL RECIFE 6801

UNCLAS BRASILIA 001097

SIPDIS

SIPDIS

STATE FOR G FOR PBATES; OES/PCI LSPERLING
STATE FOR WHA/BSC WPOPP
STATE PLS PASS TO EPA HILL-MACON
STATE PLS PASS TO USGS JWEAVER
STATE PLS PASS TO PARK SERVICE FOR SMORRIS
STATE PLS PASS TO DOI FOR KWASHBURN

E.O. 12958: N/A

TAGS: [SENV](#) [TNGD](#) [TRGY](#) [KSCA](#) [EAGR](#) [BR](#)

SUBJECT: BRAZILIAN CHAMBER OF DEPUTIES VOTES TO UPHOLD
ORGANIZATIONAL CHANGES TO IBAMA, SENATE VOTE REMAINS

REF: 07 BRASILIA 00822

¶1. The Brazilian Chamber of Deputies (lower house) voted on June 12 in favor of the proposed reorganization of IBAMA, the Ministry of Environment's enforcement agency. The restructuring, first announced April 25 by Environment Minister Marina Silva and supported by President Lula, would split IBAMA into two units.

¶2. The newly created Instituto Chico Mendes, would be responsible for IBAMA's conservation duties and for managing Brazil's two hundred and eighty eight units of protected areas. It's portfolio would include all activities concerning sustainable use of protected areas, the execution of research programs and the protection, preservation and conservation of biodiversity. The remaining part of IBAMA would limit its responsibilities to authorizing, licensing and supervising issues related to the environment. This would include the execution and enforcement of environmental policies, authorization for the use of natural resources and the hot-button issue of issuing environmental licenses.

¶3. IBAMA's 6000 employees have been on strike protesting the restructuring since its announcement in April. They have vowed to keep pressure on the Senate to reject the restructuring measure until the final vote on Sept 7.

¶4. COMMENT: It is widely speculated that the decision to reorganize was based in part on criticism, from both the media and within her own party, of Minister Silva's tight environmental regulation policies, which have put her at odds with those supporting new big-ticket development projects. One example is the plan to build two large dams at the Santo Antnio and Jirau rapids on the Madeira River in the state of Rondnia. After two years of review, IBAMA still has not issued the go ahead to construct the dams. The issue of environmental licensing for large energy projects is likely to become more contentious as Brazil continues to develop. END COMMENT:

SOBEL